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Kirk – First Open Health Care Town Hall of Chicago Area

Kirk Outlines Alternative Centrist Health Care Bill

Lowers Costs, Increases Choice, Expands Coverage

Speaker's 1,000+ Page Bill: Illinois Taxes to 49.9%, 167,000 Seniors Lose Medicare Advantage, \$6 billion in Cuts for 133 Illinois Hospitals

ARLINGTON HEIGHTS, ILL. – At an open, public town hall meeting in front of hundreds of Illinois citizens, U.S. Rep. Mark Kirk outlined a centrist health care proposal to lower costs, increase choice, and expand coverage for Illinois families. Congressman Kirk also detailed how Speaker Pelosi's 1,000+ page bill will raise Illinois taxes to 49.97%, force thousands of seniors off Medicare Advantage and cut over \$6 billion from 133 Illinois hospitals.

"Over the last several months, I authored centrist reforms with five-dozen patient-advocacy, doctor and hospital groups to craft patient-centered reforms to protect quality and access at lower costs," said Congressman Kirk. "I authored the centrist Medical Rights & Reform Act to increase competition and lower costs by 1) breaking up state insurance monopolies, 2) reducing defensive medicine with lawsuit reform and 3) ensuring that the government cannot interfere with decisions you make with your doctor.

"Regarding the health care of our families, it is important that Congress gets it right, not quick. Leaders should go back to the drawing board to write a bipartisan bill we can all support. A viciously partisan bill will end up pleasing one extreme but angering most Americans."

Kirk outlined the major aspect of the centrist Medical Rights & Reform Act:

1. Medical Rights Act: Preventing the government from interfering with the decisions that you and your doctor have made about you and your family's care.
2. Reduce Expensive Defensive Medicine: Lawsuit reform and rapid deployment of fully electronic medical records to cut the need for duplicate tests and procedures.
3. Lower Insurance Costs: Interstate pools of insurance to broaden and share risk, with individuals receiving the same tax break employers receive when buying their own health insurance.

"We can lower costs and improve health care without breaking the U.S. Treasury," added Kirk. "When Congress reconvenes in September, we will vote on a large government plan for health care. With a price tag of nearly \$1 trillion and over 1,000 pages of legislation, taxpayers will pay \$1 billion a page. Under this bill, Congress plans to raise combined Illinois marginal tax rates above those of France."

The bill also cuts Medicare, reducing quality care for Illinois

seniors. I think there is a better course for the country and will continue to advocate for health care reform that is patient-focused and not government-run."

This is the fourth traditional town hall Congressman Kirk held this year. The previous town halls were held February 7th (Waukegan), April 25th (Palatine) and June 13th (

Wilmette

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Kirk also held four tele-town meetings March 9th, April 1st, July 3rd and July 30th

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How Does the House Congressional Leadership Bill Impact Illinois?

Cutting \$6 Billion for 133 Illinois Hospitals

133 Illinois hospitals can expect reductions in Medicare reimbursements to help pay for the trillion-dollar health care plan. According to AHA estimates for 2010-2019, the House Leadership bill would cut more than \$6 billion for inpatient/outpatient services, skilled nursing, rehabilitation and home health.

Source: American Hospital Association

Cutting Care for Illinois Seniors Who Depend on Medicare Advantage

167,047 Illinois seniors participate in the Medicare Advantage program for health care. The CBO estimates that the House Leadership bill would cut Medicare Advantage benefits by \$162.2 billion, resulting in reduced coverage and higher premiums for Illinois seniors. These seniors would be forced back into standard Medicare, an option they chose not to use.

Sources: Kaiser Family Foundation, Statehealthfacts.org; CBO.

Collapsing Care for Four Million Illinois Citizens Who Depend on Employer – Provided Health Care

In Illinois, more than seven million citizens receive employer-provided health insurance, with more than 565,000 buying their own private insurance. According to the Llewellyn Group, up to two-thirds of Americans depending on employer-provided care could lose their care, totaling four million Illinois citizens and over 100 million Americans. The House Leadership plan creates a government-run health insurance plan using a large federal subsidy that will collapse private insurance plans. With employer-provided care cancelled, millions would be forced into the so-called “public” plan.

Source: Kaiser Family Foundation, Statehealthfacts.org, Llewellyn Group

Pushing Illinois' Marginal Tax Rates to Levels Higher than France

To help pay for the nearly \$1 trillion in costs, House Leaders would add a 5.4 percent surtax on the upper tax bracket, raising Illinois' top income tax rate to 49.97 percent. In France, the top rate is 45.8 percent.

Source: Heritage Foundation.

Deepening the State of Illinois Deficit

In 2007, Illinois spent approximately \$6.3 billion in Medicaid payments to cover 2.4 million residents, with a 100 percent federal match. The House Leadership bill would expand Medicaid coverage to individuals and families with incomes at or below 133 percent of the federal poverty level. The new legislation would require Illinois to pay an additional 7 percent of the expansion costs. Gov. Quinn announced \$140 million in Medicaid cuts because of an inability to pay for current Medicaid coverage, with a total unmet need of \$600 million.

Illinois also could lose millions in state taxes collected from private insurance premiums as families are forced into the government-run plan. The State of Illinois collects more than \$366 million annually from insurance plan premium taxes. This revenue source would be cut substantially as millions were forced into the federal government health care plan, deepening the state's fiscal situation.

Sources: Kaiser Family Foundation, Statehealthfacts.org; Kaiser Health News, July 31, 2009;

Governor's Allocation Plan; U.S. Census Bureau

Threatening 18,000 Illinois Insurance Jobs

Health insurance companies employ thousands of Illinois workers. According to the U.S. Census, nearly 18,000 Illinois individuals are directly employed by health insurance companies, with 42,105 in other insurance-related jobs. As the government-run insurance plan forces private insurers out of business, these jobs are threatened. June

's seasonally adjusted unemployment rate in Illinois is already at 10.3 percent. Future job cuts threaten Illinois' economic recovery.

Sources: U.S. Census Bureau; Illinois Department of Employment Security

The Medical Rights and Reform Act

After listening sessions and meetings with over 70 patients-rights advocates, doctors, nurses, hospitals, and medical groups, U.S. Reps. Mark Kirk (R-Ill.) and Charlie Dent (R-Penn.), and members of the Tuesday Group, the House caucus of centrist GOP members, authored the Medical Rights and Reform Act.

The Medical Rights and Reform Act would mandate a fundamental principle – the government should not come between patients and their doctors. The Act will protect every American's relationship with their doctor, the integrity of the medical profession and the right of Americans to choose the care they deem appropriate without federal delay or restriction.

Lowers Health Care Costs

A Kaiser Family Foundation survey conducted in October 2008 found that making health care and health insurance more affordable is the most important health care issue cited by voters (50%), doubling the second ranked issue, expanding health insurance coverage for the uninsured (23%).

To lower health care costs, the Act will foster state innovation through insurance market reforms, high-risk pools, community health networks, and new association options for small businesses.

The bill also includes: lawsuit reforms to end the practice of defensive medicine and ensure fair compensation for injured patients; upgrades and acceleration of health information technology programs to improve the quality of care and reduce errors; strong standards and processes to target waste, fraud and abuse; targeted prevention and wellness programs to address costly chronic diseases and promote healthy living; and greater tax incentives for individuals and small businesses to buy health insurance.

Expands Health Insurance Coverage

The bill also expands access to Americans without health insurance by: providing greater incentives to small businesses to cover their employees; encouraging state-centered insurance market reforms; giving low-income families the option to use public funds to purchase private health insurance plans; enhancing Health Savings Accounts; allowing young adults to remain dependents on their parent's plan; and expanding rural health care programs.

Problems in Canada and the United Kingdom

As Congress considers proposals for health care reform, mandating the government to take over health care decisions for families could have consequences. A close examination of government-run health care in Canada and the United Kingdom shows sharp contrasts in the

quality of medical services:

Americans more likely to survive cancer than Europeans/Canadians. One study puts the five-year cancer survivability rate for American women at 63 percent, but only 56 percent for European women. For men, the difference is starker with 66 percent survivability for Americans and only 47 percent for Europeans. A separate comparison of U.S.

and Canadian citizens shows similar results. American women's survival rate is 61 percent, compared to 58 percent in Canada

. American men's survival rate is 57 percent and 53 percent in Canada

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Sources: Lancet Oncology, 2007, No. 8; Health Status, Health Care and Inequality: Canada vs. the U.S., National Bureau of Economic Research, September 2007.

Delay is denial of care. In the U.S., only 26 percent of sick adults waited more than four weeks to see a specialist. In Canada and the UK, more than twice as many citizens wait longer than a month to receive the care they need (60 percent and 58 percent, respectively).

Source: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults.

The sickest patients need intensive care. In Britain, government hospitals maintain nine intensive care unit beds per 100,000 people. In

America

, we have three times that number at 31 per 100,000.

Source: High-Priced Pain: What to expect from a Single-Payer Health Care System, Heritage Foundation, 9/22/2006.

New technology finds disease quicker. In America, doctors use 27 MRI machines per million people. In Canada and Britain, it is less than a fifth of that at approximately five MRI machines per million people.

Source: Health Status, Health Care and Inequality:

Canada

vs. the

U.S.

, National Bureau of Economic Research, September 2007.

Long waits increase pain and morbidity. In the U.S., over 90 percent of seniors receive a hip replacement within six months. In Canada, less than half of patients are treated in the same time (43 percent) with many waiting over a year. In the

UK

, only 15 percent of patients are treated within six months.

Source: Doing Your Own Health Care Thing: American Seniors vs. Canadian Citizens, Heritage Foundation, 7/1/2005.

U.S. care for infants outpaces UK and Canada. In the U.S., we have over six neonatologists per 10,000 live births. In Canada, they have fewer than four and in Britain fewer than three. In the

U.S.

, we have over three neonatal intensive care beds per 10,000 births, just 2.6 in

Canada

and less than one in

Britain

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Source: High-Priced Pain: What to expect from a Single-Payer Health Care System, Heritage Foundation, 9/22/2006.

Women receive better preventative care (pap smears/mammograms) in America. Nearly 90 percent of American women age 40 – 69 have had a mammogram, while only 72 percent of Canadian women have had a screening. Likewise, 96 percent of American women age 20 - 69 have had a Pap smear, with 88 percent of Canadian women undergoing the test for cervical cancer.

Source

e: Health Status, Health Care and Inequality:

Canada

vs. the

U.S.

, National Bureau of Economic Research, September 2007. Data collection: Harris Interactive, Inc.

Stories of poor care under a government-run system are common in Britain. Last February, the Daily Mail reported on Mrs. Dorothy Simpson, 61, who had an irregular heartbeat. Officials at the National Health Service (NHS) denied her care and told her she was "too old." The Guardian reported in June 2007 that one in eight NHS hospital patients wait more than a year for treatment.

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